

**21st NREL Industry Growth Forum
Denver, Colorado
October 28-30, 2008**



The presenting companies at the 21st NREL Industry Growth Forum were widely diverse, representing nearly every facet of the clean energy industry sector. With over 500 investment and energy professionals, this was NREL's largest and most successful investment forum to date and highlighted the quickly evolving technology landscape. The forum was held on October 28-30 in Denver, Colorado and was hosted by the National Renewable Energy Laboratory (NREL).



This year's forum began amid a global economic crisis that is gripping the world's financial markets. Remarkably, the clean energy industry had largely escaped the effects of the financial turmoil at the time. According to the Cleantech Group, the first three quarters of 2008 had already witnessed more investment in clean technologies than all of 2007--bringing the year-to-date investment to \$6.6 billion.

The event featured 35 competitively selected clean energy technology companies who presented their business case and investment needs to a panel of investment professionals. The presenting companies ranged from very early-stage entrepreneurial start-ups to later stage companies looking for expansion capital.

The technologies represented by these firms spanned the spectrum--from innovative thin-film PV technologies, enzyme catalysts, portable nuclear devices, lithium micro batteries, wind power, to new approaches to bio-fuel production and large-scale solar power production.

Participants included venture capitalists, angel investors, commercial and investment bankers, private lenders, NREL scientists, and representatives of the nation's most innovative and promising energy companies.

The 2008 Best Venture Award Winners

Four entrepreneurial companies were singled out from the 35 competitively-selected presenters to win the 2008 Best Venture Awards sponsored by Xcel Energy Foundation. Jay Herrmann, Vice President, Control Center of Xcel Energy, presented four cash awards for excellence totaling \$25,000.

- Porous Power Technologies, LLC located in Lafayette, Colo., took the top prize receiving the Best Early Venture of the Year award (\$10,000). Porous Power Technologies, LLC, is commercializing highly-efficient separator membranes that can dramatically improve the performance and reduce the cost of lithium-ion batteries. The award was accepted by Timothy Feaver, CEO/President Porous Power Technologies, LLC.

- The Best Early Venture of the Year second place award (\$5,000) went to a bioenergy plant and algae company, Evolutionary Genomics, in Colorado. CEO Ginny Orndorff accepted the award.
- The Best Late Stage Investment of the Year Award (\$5,000) was given to Tendril, in Colorado, for a software and hardware system that allows utilities and their residential customers to manage their consumption of energy. Tendril CEO Adrian Tuck accepted the award.
- The Best Early Seed Investment of the Year Award (\$5,000) went to Ampulse Corp., a Battelle Ventures-funded company developing a low-cost, high efficiency solar cell technology, utilizing unique silicon manufacturing techniques and materials developed in research at NREL and Oak Ridge National Laboratory (ORNL). The award was accepted by Steve Hane, President and CEO of Ampulse Corp.



Special Presentations

In addition to the presentations by entrepreneurial companies, the Forum featured addresses and panels on a broad range of issues of interest to the clean energy industry including the investment and financing strategies that are driving the commercialization of quality renewable energy technologies. Highlights include:

Financing Trends & Perspectives 2008

Vinod Khosla, founding Partner of Khosla Ventures and founding CEO of Sun Microsystems gave a thought provoking keynote on the future of alternative energy. He criticized many of today's clean energy solutions, calling them too small to meet the needs of a growing global population. He said we need quantum leap changes in the way we think about energy solutions. We need "relevant scale" solutions attacking oil, coal, cement and steel. "500 million people on earth enjoy a lifestyle that 9 billion people will want in 2050." Khosla is looking for "black swan solutions" that cause "technology shock" and cited a few startups both in and out of his large cleantech portfolio that might provide the technology shock we need. Also of interest was the mapping of Khosla Ventures portfolio companies and their potential impact on people's daily lives.



Several panelists discussed the impact of the recent economic downturn on the clean energy industry. Dave Edwards, Partner, Vantage Point Ventures noted that cheap oil traditionally dilutes demand for alternative energy options, and tighter financing will make it difficult for renewable energy companies to expand. As the impact of the global financial crisis spreads into all corners of the economy, the renewable energy sector will feel the pinch.

Plunging oil prices have made renewable energy sources relatively less cost-effective, while thinner profit margins have prompted big industrial users of power to tighten their budgets for sustainable energy programs - cutting into sales by green energy suppliers. He and several other speakers said the impact will be felt especially acutely by small, independent manufacturers and start-ups that often have more “fragile” financing structures. He encouraged companies to seek innovative financing structures and to change financing expectations as the economic crisis unfolds.



A “Beyond Venture Financing” panel led by Greg Wasserman of the Clinton Foundation looked at project financing and reviewed common finance structures including traditional project debt/equity, tax equity flips, and power prepay and discussed the current costs of debt/equity. Other panelists encouraged emerging companies to look beyond venture financing at other sources of funding and discussed the cost and benefits of “going public” as well as pursuing the M&A route given the constrained funding environment.



Future Policies for Accelerating Technology Commercialization:

Wendolyn Holland, Senior Advisor, Office of the Assistant Secretary of Energy Efficiency and Renewable Energy, U.S.DOE, led a frank and dynamic discussion with the financial sector on the efforts needed to infuse the DOE Laboratory system with innovation and make it more user friendly for the private sector. All participants agreed that change was needed to accelerate the commercialization process. Panelists

included John Herrick, Principal, Brownstein, Hyatt, Farber, and Schreck; and Peter Edwards, Partner at Altira Group and Kef Kasdin, General Partner at Battelle Ventures and Innovation Valley Partners



NREL Technology Forecast 2008

Dale Gardner, Associate Laboratory Director for Renewable Fuels presented the key developments in hydrogen, fuel cell, biomass, and transportation technology R&D, and discussed the major developments expected in 2009. He also introduced seven of NREL's Rising Stars and their promising areas of research: Debbie Brodt-Giles and Tony Markel are in NREL's Center for Transportation Technologies and Systems; Andy Aden is in NREL's National Bioenergy Center; Jason Cotrell is in NREL's National Wind Technology Center; Matthew Reese, Michael Woodhouse, and Chaz Teplin are in NREL's National Center for Photovoltaics.



Colorado—A Leading U.S. Hub for Clean Energy Technology

The Forum featured leading policymakers from all levels of Colorado government including Governor Bill Ritter, Senator Ken Salazar, and Denver Mayor, John W. Hickenlooper. NREL was delighted at Colorado's strong commitment and aggressive plans to make Colorado a leading national hub for clean energy technology companies. The Governor stated that Colorado has created a virtual cluster of clean energy businesses and research centers and vowed to make energy a cornerstone of his administration.





The 2008 Business Case Presenters

Companies showcased at this event covered a wide spectrum of the most promising cutting-edge clean energy technologies in the clean energy industry. The 35 presenting companies listed below were selected from more than 170 entries to present their business plan to industry investment leaders, and represent emerging, innovative companies in the clean energy industry. The criteria used by the selection committee of investors included: strength of the business model, potential return on investment, and market need.

Agrivida
 Enerpulse, Inc.
 Marquiss Wind Power
 Ampulse
 Porous Power Tech
 Cobalt Biofuels
 Terrabon
 C2 Biofuels
 Climax Global Energy
 Joule Labs, Infotility
 Coulomb Technologies

K2 Energy Solutions,
 Evolutionary Genomics
 Solix Biofuels
 ZeroPoint Clean Tech
 Tendril,
 Aldis Inc., Nila
 Edenspace Systems Corp
 TransIonics Corporation
 Hyperion Power Generation
 Intragro Corporation
 Blue Sun Energy

MicroLink Devices
 MegaWatt Storage Farms
 Tellurian Biodiesel, Inc.
 Optony, Inc.
 LiquidPiston, Inc.
 Solar Red
 Photon Synergy
 QM Power, Inc.
 Ahura Energy, Inc.
 Deeya Energy,
 Electron Vault, Inc.

Quality Deal-flow

As of October 08, the presenting companies from the previous five forums have raised over \$2 billion in investment. NREL's Industry Growth Forums are the largest national venture event focused exclusively on companies developing clean energy products to serve the electricity, buildings, and transportation infrastructures. Because we are one of the largest clean energy venture forums, we are uniquely positioned to gather quality business case presentations with good deal-flow potential for investors.

NREL's forums offer an engaging interactive format that allows clean energy business leaders to present and receive feedback on summary business plans before a panel of the nation's leading clean energy investors. Presenters are mentored in their preparation for the Forum by a select group of financial and business executives. The Forum establishes a win-win relationship between clean energy business leaders and entrepreneurs, the financial community, and ultimately, the clean energy industry as a whole by stimulating the creation of clean energy businesses.

The 22nd NREL Industry Growth Forum – Fall 2009 in Denver, Colorado

Applications to present at the 22nd NREL Industry Growth Forum will be accepted beginning in the spring of 2009. Look for more information and application details about the next Forum soon at www.cleanenergyforum.com.

Thank You to Our Sponsors

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